

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA,)	
)	Case No.
Plaintiff,)	
)	
v.)	
)	
PETER J. KRUG and)	
MARILYN KRUG,)	
)	
Defendants.)	
_____)	

COMPLAINT

Plaintiff, United States of America, by and through undersigned counsel, complains and alleges as follows:

1. This civil action, which arises under the Internal Revenue Code, is brought by the United States, pursuant to 26 U.S.C § 7401, to reduce to judgment defendants Peter and Marilyn Krug's unpaid joint federal income tax liabilities for the 2006, 2007, and 2011 tax years.

JURISDICTION AND VENUE

2. This action is authorized and sanctioned by the Chief Counsel, Internal Revenue Service, a delegate of the Secretary of the Treasury, and is brought at the direction of the Attorney General of the United States, in accordance with the provisions of 26 U.S.C. § 7401.

3. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1340 and 1345 and 26 U.S.C. § 7402(a).

4. Venue is appropriate in this Court pursuant to 28 U.S.C. §§ 1391(b) and 1396 because Peter and Marilyn Krug reside in Seminole County, Florida, within the jurisdiction of this Court.

REDUCE ASSESSMENTS FOR FEDERAL INCOME TAXES TO JUDGMENT

5. Peter and Marilyn Krug were required to file U.S. Individual Income Tax Returns (“Forms 1040”) for the tax years 2006 and 2007, but failed to do so.

6. As a result, the Internal Revenue Service calculated Peter and Marilyn Krug’s tax liabilities for those years under procedures authorized under 26 U.S.C. § 6020(b).

7. The IRS sent Peter and Marilyn Krug separate Notices of Deficiency for the 2006 and 2007 tax years, which provided them with an opportunity to contest the proposed deficiencies in United States Tax Court.

8. Peter and Marilyn Krug did not contest the Notices of Deficiency in United States Tax Court.

9. Consequently, a delegate of the Secretary of the Treasury assessed tax, interest, and penalties against both Peter and Marilyn Krug for the 2006 and 2007 tax years. The dates and amounts of the assessments, and the balances due as of April 1, 2019, are shown in the following tables:

a. 2006 Tax Year

Assessment Date	Type of Assessment	Amount of Assessment
5/4/2009	Tax	\$68,906.00
	Failure to Pay Estimated tax	\$1,859.00
	Penalty	
	Failure to File Penalty	\$14,365.35
	Failure to Pay Tax Penalty	\$7,980.75
	Interest	\$10,480.64
Balance due (with accrued interest and statutory additions as allowed by law less any credits, payments and abatements) as April 1, 2019: \$97,109.84		

b. 2007 Tax Year:

Assessment Date	Type of Assessment	Amount of Assessment
4/19/2010	Tax	\$76,811.00
	Failure to Pay Estimated Tax Penalty	\$1,199.22
	Failure to File Penalty	\$16,884.90
	Failure to Pay Tax Penalty	\$8,254.84
	Interest	\$7,386.15
Balance due (with accrued interest and statutory additions as allowed by law less any credits, payments and abatements) as April 1, 2019: \$60,072.16		

10. After the assessments described in paragraphs 9.a. and 9.b., above, Peter and Marilyn Krug provided the IRS with Forms 1040 for the 2006 and 2007 tax years.

11. Based on the information provided in Peter and Marilyn Krug's delinquent tax returns, the IRS abated a portion of the assessments described in paragraphs 9.a. and 9.b., above.

12. Peter and Marilyn Krug filed a timely Form 1040 for the 2011 tax year, and a delegate of the Secretary of the Treasury assessed against them the income tax that they reported on their 2011 Form 1040.

13. Subsequently, a delegate of the Secretary of the Treasury assessed against both Peter and Marilyn Krug additional tax, penalties, and interest for the 2011 tax year. The dates and the amounts of the assessments, and the balance due as of April 1, 2019, are shown in the following table:

a. Tax Year 2011:

Assessment Date	Type of Assessment	Amount of Assessment
5/7/2012	Tax	\$2,446.00
4/14/2014	Tax	\$2,675.00
	Interest	\$165.00
8/18/2014	Failure to Pay Tax Penalty	\$80.25
	Interest	\$29.56
8/24/2015	Failure to Pay Tax Penalty	\$321.00
	Interest	\$91.33

Balance due (with accrued interest and statutory additions as allowed by law less any credits, payments and abatements) as April 1, 2019: \$463.34

14. A delegate of the Secretary of the Treasury properly gave notice of the unpaid federal income tax liabilities described in paragraphs 9.a., 9.b., and 13.a., above, to Peter and Marilyn Krug and made demands for payment as required by law.

15. Despite notice and demand for payment, Peter and Marilyn Krug have failed to pay their federal income tax liabilities in full.

16. Taking into account all payments, credits, and abatements, Peter and Marilyn Krug each owe a total of \$157,645.34, as of April 1, 2019, for their unpaid joint federal income tax liabilities for the 2006, 2007, and 2011 tax years, plus fees, interest, and all statutory additions thereafter provided by law.

WHEREFORE, the United States prays that this Court:

A. enter judgment in favor of the United States and against both Peter J. and Marilyn Krug for their unpaid federal income tax liabilities for the 2006, 2007, and 2011 tax years in the amount of \$157,645.34, as of April 1, 2019, plus subsequent statutory additions and interest as allowed by law; and

B. for an award of costs and such other and further relief as may be available under the law.

Dated: April 1, 2019.

Respectfully submitted,

RICHARD E. ZUCKERMAN
Principal Deputy Assistant Attorney General

/s/ Thomas K. Vanaskie
THOMAS K. VANASKIE
Trial Attorney, Tax Division
U.S. Department of Justice

P.O. Box 14198
Washington, D.C. 20044
202-305-7921 (v)
202-514-4963 (f)
Thomas.K.Vanaskie@usdoj.gov

Of Counsel:

MARIA CHAPA LOPEZ
United States Attorney

JS 44 (Rev. 02/19)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

United States of America

(b) County of Residence of First Listed Plaintiff

(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Thomas K. Vanaskie, U.S. Dept of Justice, Tax Division
P.O. Box 14198, Washington, DC 20044
202-305-7921

DEFENDANTS

Peter J. Krug and Marilyn Krug

County of Residence of First Listed Defendant Seminole

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

26 USC Sec. 7402

Brief description of cause:

Reduce Tax Assessments to Judgment

VII. REQUESTED IN COMPLAINT:
☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.
DEMAND \$
157,000.00

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Middle District of Florida

United States of America

Plaintiff(s)

v.

Peter J. Krug
Marilyn Krug

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* Peter J. Krug
3310 Horseshoe Bend Court
Longwood, FL 32779

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Thomas K. Vanaskie
Trial Attorney, Tax Division
U.S. Department of Justice
P.O. Box 14198
Washington, DC 20044

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

for the

Middle District of Florida

Plaintiff(s)

y.

Peter J. Krug
Marilyn Krug

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* Marilyn Krug
3310 Horseshoe Bend Court
Longwood, FL 32779

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Thomas K. Vanaskie
Trial Attorney, Tax Division
U.S. Department of Justice
P.O. Box 14198
Washington, DC 20044

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk